

**SB 5569** - S AMD 109

By Senator Honeyford

NOT CONSIDERED 05/25/2011

1 Strike everything after the enacting clause and insert the  
2 following:

3 " **Sec. 1.** RCW 41.32.570 and 2007 c 50 s 3 are each amended to read  
4 as follows:

5 (1)(a) If a retiree enters employment with an employer sooner than  
6 one calendar month after his or her accrual date, the retiree's  
7 monthly retirement allowance will be reduced by five and one-half  
8 percent for every seven hours worked during that month. This  
9 reduction will be applied each month until the retiree remains absent  
10 from employment with an employer for one full calendar month.

11 (b) The benefit reduction provided in (a) of this subsection will  
12 accrue for a maximum of one hundred forty hours per month. Any  
13 monthly benefit reduction over one hundred percent will be applied to  
14 the benefit the retiree is eligible to receive in subsequent months.

15 (2) Except under subsection (3) of this section, any retired  
16 teacher or retired administrator who enters service in any public  
17 (~~educational institution~~) school, educational service district,  
18 state institution of higher education in an instructional capacity,  
19 or, after the effective date of this act, state institution of higher  
20 education in a non-instructional capacity, in Washington state at  
21 least one calendar month after his or her accrual date shall cease to  
22 receive pension payments while engaged in such service, after the  
23 retiree has rendered service for more than eight hundred sixty-seven  
24 hours in a school year.

25 (3) Any retired teacher or retired administrator who enters  
26 service in any public (~~educational institution~~) school, educational  
27 service district, state institution of higher education in an

1 instructional capacity, or, after the effective date of this act,  
2 state institution of higher education in a non-instructional capacity,  
3 in Washington state one and one-half calendar months or more after his  
4 or her accrual date and:

5 (a) Is hired pursuant to a written policy into a position for  
6 which the school board has documented a justifiable need to hire a  
7 retiree into the position;

8 (b) Is hired through the established process for the position with  
9 the approval of the school board or other highest decision-making  
10 authority of the prospective employer;

11 (c) Whose employer retains records of the procedures followed and  
12 the decisions made in hiring the retired teacher or retired  
13 administrator and provides those records in the event of an audit; and

14 (d) The employee has not already rendered a cumulative total of  
15 more than one thousand nine hundred hours of service while in receipt  
16 of pension payments beyond an annual threshold of eight hundred sixty-  
17 seven hours;

18 shall cease to receive pension payments while engaged in that service  
19 after the retiree has rendered service for more than one thousand five  
20 hundred hours in a school year. The one thousand nine hundred hour  
21 cumulative total limitation under this section applies prospectively  
22 after July 22, 2007.

23 (4) When a retired teacher or administrator renders service beyond  
24 eight hundred sixty-seven hours, the department shall collect from the  
25 employer the applicable employer retirement contributions for the  
26 entire duration of the member's employment during that fiscal year.

27 (5) The department shall collect and provide the state actuary  
28 with information relevant to the use of this section for the select  
29 committee on pension policy.

30 (6) The legislature reserves the right to amend or repeal this  
31 section in the future and no member or beneficiary has a contractual  
32 right to be employed for more than five hundred twenty-five hours per  
33 year without a reduction of his or her pension.

34

1        NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
2 preservation of the public peace, health, or safety, or support of the  
3 state government and its existing public institutions, and takes  
4 effect immediately."

5

EFFECT: Revises the exemption from post-retirement employment  
restrictions for TRS 1 members employed with a state institution of  
higher education in a non-instructional capacity to apply only to  
members to reenter service before the effective date of this act.

--- END ---